



# **DIMHRS**

## **Functional Area Focus Group (Compensation)**

### **Session Summary**

**March 16-17, 2004**

Joint Requirements and Integration Office  
4040 N. Fairfax Drive, Suite 502  
Arlington, VA 22203

## **TABLE OF CONTENTS**

- I. Purpose
- II. Objective
- III. Session Design
- IV. Session Results
- V. Lessons Learned
- VI. Next Steps
- VII. Compensation Functional Area Focus Group Materials

## **APPENDICES**

- Agenda
- PowerPoint Presentation
- Handouts
- Advance Materials
- Attendee Comments and Questions with JR&IO Responses
- Baseline of Compensation Comments (CD-ROM only)

The Joint Requirements and Integration Office (JR&IO) conducted the fourth and final session in a series of Functional Area Focus Groups (FAFGs) on March 16-17, 2004, in Arlington, VA. The topic for this session was the Compensation Functional Area, Business Area (BA) Package (BA03 Compensation).

## I. PURPOSE

As part of an ongoing change management effort, JR&IO developed and continues to deploy a series of stakeholder outreach activities in concert with the Services and DFAS. Strategic outreach activities include facilitated joint focus groups, PeopleSoft demonstrations, and training on PeopleSoft constructs. By design, these activities inform key audiences of the benefits of DIMHRS, as well as preparing them for the changes it will engender.

DIMHRS will be a common military personnel and pay system that will allow automation of processes across the Services and other DoD organizations. The Services and DoD organizations have been involved in documenting the requirements for DIMHRS and have also provided comments on the BA Packages.

## II. OBJECTIVE

The primary objective of the Compensation FAFG was to facilitate discussion about unresolved comments from the DIMHRS BA03 Baseline Version 1.0 from October 2003. The primary goal for this series was to educate participants and provide the latest information on each BA Package. The FAFG results will help JR&IO finalize the BA Packages for delivery to the Joint Program Management Office.

## III. SESSION DESIGN

The Compensation FAFG design consisted of four main components: (1) orientation to the Compensation BA Package, (2) a review of clarification topics not requiring consensus or business process reengineering (BPR), (3) facilitated discussion of unresolved comments where Services and/or DFAS had differing perspectives, and (4) an Open Forum question and answer session. The orientation consisted of an overview of the FAFG process and other background information followed by a briefing on pay related processes illustrated in the DIMHRS (Pers/Pay) Functional Connectivity Map. This brief was followed by a presentation on the Compensation BA, which included a discussion of the BA's scope, an explanation of the Version 2.0 revisions, a synopsis of major BPR opportunities, and a summary of COTS value added. The JR&IO staff then addressed participant questions.

The second component of the focus group, reviewing clarification topics, was designed to educate attendees and provide additional information about topics that generated questions. Clarification topics by nature did not require consensus statements or produce follow-up actions by focus group attendees. The clarification topics were:

- Member Notification
- Pay Automation
- Wages Less Than Zero

The third component of the focus group was designed to reach consensus on unresolved comments on the Compensation BA Package. A discussion of unresolved comments focused on topics collaboratively identified by Service subject matter experts and a JR&IO team. The consensus topics were:

- Combat Zone Tax Exclusion (CZTE)  
Service Specific Rules
- Tracking Incentive Pay Qualifications

Service and DFAS comments related to the topics to be addressed were distributed to each attendee prior to the session as part of a read-ahead package. Mr. Lincecum, Chief, Requirements and Reengineering Division, JR&IO, addressed each topic. Mr. Lincecum presented the JR&IO perspective and invited the attendees to present an individual Service/DFAS perspective before opening the session to comments. The outcome of these discussions is provided in Session Results.

Additional information on each clarification and consensus topic is noted in the "Final Presentation" Appendix.

The session invitee list was adjusted based on the subject matter of the Focus Group. Additional seats were allocated to DFAS to facilitate their participation in the discussion of the Compensation Functional Area.

Attendees provided feedback in a Hotwash discussion conducted at the conclusion of the focus group. The comments provided by the participants are outlined in the Lessons Learned section of this report and will be used to improve future JR&IO-sponsored focus group sessions.

## IV. SESSION RESULTS

The Compensation Functional Area Focus Group was deemed successful and enabled the Services and Corporate-level organizations to:

- Receive an overview of the DIMHRS Compensation BA requirements package;
- Actively participate in facilitated discussion in areas where Service and/or DFAS feedback had differing perspectives;

- Collaboratively draft consensus statements; and,
- Identify topics requiring additional input (e.g., current waiver practices).

The first consensus topic discussed, CZTE Service Specific Rules, resulted in the following statement of consensus:

- When a Member is eligible for CZTE, DIMHRS will allow for a Member to choose to have their income taxed. If the Member chooses to have their income taxed, DIMHRS will note that the Member does not want the tax exclusion and DIMHRS will default the Member's withholding to their W-4 deductions.

The second consensus topic discussed, Track Incentive Pay Quals, also resulted in statements of consensus as follows:

- DIMHRS will receive an interface from the Services' Training/Operations systems, where available.
- DIMHRS will provide the capability to manually enter detailed qualification information (into DIMHRS) related to entitlements when an interface is unavailable.
- DIMHRS will record information based on other Personnel transactions that may support authorization for the "incentive" pay.

Additional information on each consensus topic is noted in the "Final Presentation" Appendix.

As a result of a discussion on Secretarial waiver requirements, participants agreed to provide JR&IO with additional information on waivers by Wednesday, March 24th. Specifically, JR&IO asked whether eligibility requirements need to be waivable at the information requirement or pay type level, or both. Additionally, attendees were

asked to provide input as to how Secretarial Waivers are currently applied in their Service.

## **V. LESSONS LEARNED**

During any series of events where repeat attendees are expected, it is a best practice to note any changes to the session format, such as the addition of clarification topics to the agenda. In addition to the facilitator explaining these changes when briefing the agenda, read-ahead materials should inform participants of format changes and include information on all subject areas scheduled for consideration during the session.

The Open Forum was designed to provide an opportunity for participants to ask any outstanding questions related to the topical Functional Area. However, in advance of this session, DFAS submitted a significant number of questions. In order to facilitate discussion of these questions, JR&IO provided copies of the DFAS submission to all participants. While JR&IO's intent was to facilitate the discussion, the Services perceived that DFAS topics were granted disproportionate attention. In the future, adding structure to Open Forum sessions, by requesting topics to be submitted in advance, would provide equal opportunity to all participating organizations.

Two critical Compensation events, the Compensation Functional Area Focus Group and the Build 4 IPR were scheduled concurrently. This scheduling conflict limited the participation of individuals from key organizations at both events. Future key events will be coordinated to ensure the Services and other DoD organizations can participate in both activities.

## **VI. NEXT STEPS**

Feedback relating to waiver requirements will be consolidated and turned over to the Requirements

Analysis team for further action.

Responses to the Question and Answer matrix resulting from the event will be finalized, briefed to the JIG, and distributed as an appendix to this Session Summary. This summary will be distributed to the JIG and posted on the JR&IO Website.

## **VII. SUSTAINMENT FUNCTIONAL AREA FOCUS GROUP MATERIALS**

The following materials from the Sustainment Functional Area Focus Group are attached. All of these attachments are also included on the enclosed CD-ROM:

- Agenda
- Attendee List
- Final PowerPoint Presentation
- Focus Group Handouts
- Advance Materials
- Attendee Comments and Questions with JR&IO Responses
- Baseline of Compensation Comments (CD-ROM only)



## Compensation FAFG Agenda

**March 16, 2004**

- |             |    |  |
|-------------|----|--|
| 0900 – 0930 | -- | Welcome, Introductions and Logistics                           |
|             | -- | Methodology of Focus Group Session                             |
| 0930 – 1015 | -- | Overview of Business Area 03                                   |
| 1015 – 1030 | -- | Break  |
| 1030 – 1200 | -- | Overview of Business Area 03 (cont'd)                          |
| 1200 – 1330 | -- | Lunch  |
| 1330 – 1430 | -- | Functional Connectivity Map –<br>Illustration of Pay Processes |
| 1430 – 1445 | -- | Break  |



## Compensation FAFG Agenda March 16, 2004 (cont'd)

- 1445 – 1545    --    Facilitated Discussion: Topics for Clarification
- 1545 – 1600    --    Wrap-Up of Day 1; Preview of Day 2





# Compensation FAFG Agenda

## March 17, 2004

- 0900 – 0915 -- Welcome and Logistics
- 0915 – 1015 -- Facilitated Discussion: CZTE Service Specific Rules
  - JR&IO and Service Position Statements
  - Facilitated Discussion
- 1015 – 1030 -- Break
- 1030 – 1130 -- Facilitated Discussion: Track Incentive Pay Quals
  - JR&IO and Service Position Statements
  - Facilitated Discussion
- 1130 – 1300 -- Lunch
- 1300 – 1400 -- Open Forum Discussion





## **Compensation FAFG Agenda March 17, 2004 (cont'd)**

1400 – 1415    --    Break

1415 – 1445    --    Conclusion and Hotwash

# **Change Management Focus Group Functional Area (Compensation)**

March 16-17, 2004



Defense Integrated Military Human Resources System  
*for Personnel and Pay*

# Functional Area (Compensation) Focus Group

Participant Introductions, Logistics & Agenda



Defense Integrated Military Human Resources System  
*for Personnel and Pay*



## JR&IO Focus Group Team

- ▶ Norma St. Claire
- ▶ Mike Lincecum
- ▶ Jim Fuller



# Booz Allen Hamilton Focus Group Team

- ▶ Primary Team
  - Jeanine Parker
  - Janeen Latini
  - Susan Stickler
  - Nick Kirkhorn
- ▶ Support Team
  - Joe Todaro
  - Michael Murphy
  - Sherrie Scott
  - Jim Bowling
  - Alison Rose
  - Kerry Akin
  - Leslie Page



## Hospitality and Logistics

- ▶ JR&IO main phone number: 703-696-8710
- ▶ JR&IO fax number: 703-696-8703
- ▶ E-mail access availability
- ▶ Refreshments available in break room (donation required)
- ▶ Restrooms located off main hallway
- ▶ Lunch arrangements are “on your own”
- ▶ Sign-in sheet is located at main entrance



## Ground Rules

- ▶ Be on time, start on time
- ▶ One person talks at a time
- ▶ Respect one another's opinions, even if you disagree
- ▶ Avoid side conversations
- ▶ The facilitator, at times, may need to interrupt
- ▶ Offer each other confidentiality
- ▶ Turn mobile phones and pagers to vibrate/silent
- ▶ Lengthy discussions will not be permitted





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# Functional Area (Compensation) Focus Group

Methodology



Defense Integrated Military Human Resources System  
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## Overarching Goal

- ▶ The goal of the Functional Area focus group series is to facilitate discussion about unresolved comments from the DIMHRS Business Area Requirement Packages.
- ▶ Resolution of unresolved comments will result in consensus statements. Issue statements will be developed if/when consensus is not possible.



## Functional Area Focus Group Will and Will Not

### The Focus Group will...

- ▶ Be conducted within the scope of DIMHRS personnel/pay
- ▶ Address unresolved Service feedback related to Business Area requirements packages, aggregated into Accessions, Transition, Sustainment and Compensation
- ▶ Address reconciliation of disparities in Service feedback
- ▶ Refer topics to the issue resolution process, if necessary
- ▶ Address integration of personnel and pay

### The Focus Group will not...

- ▶ Address functionality, strengths or weaknesses of legacy systems
- ▶ Be a forum to debate analysis methodology or use case deliverable format
- ▶ Discuss non-DIMHRS agendas
- ▶ Provide a constructed solution for DIMHRS
- ▶ Be a demonstration of the PeopleSoft product
- ▶ Address topics covered by other Functional Area Focus Groups



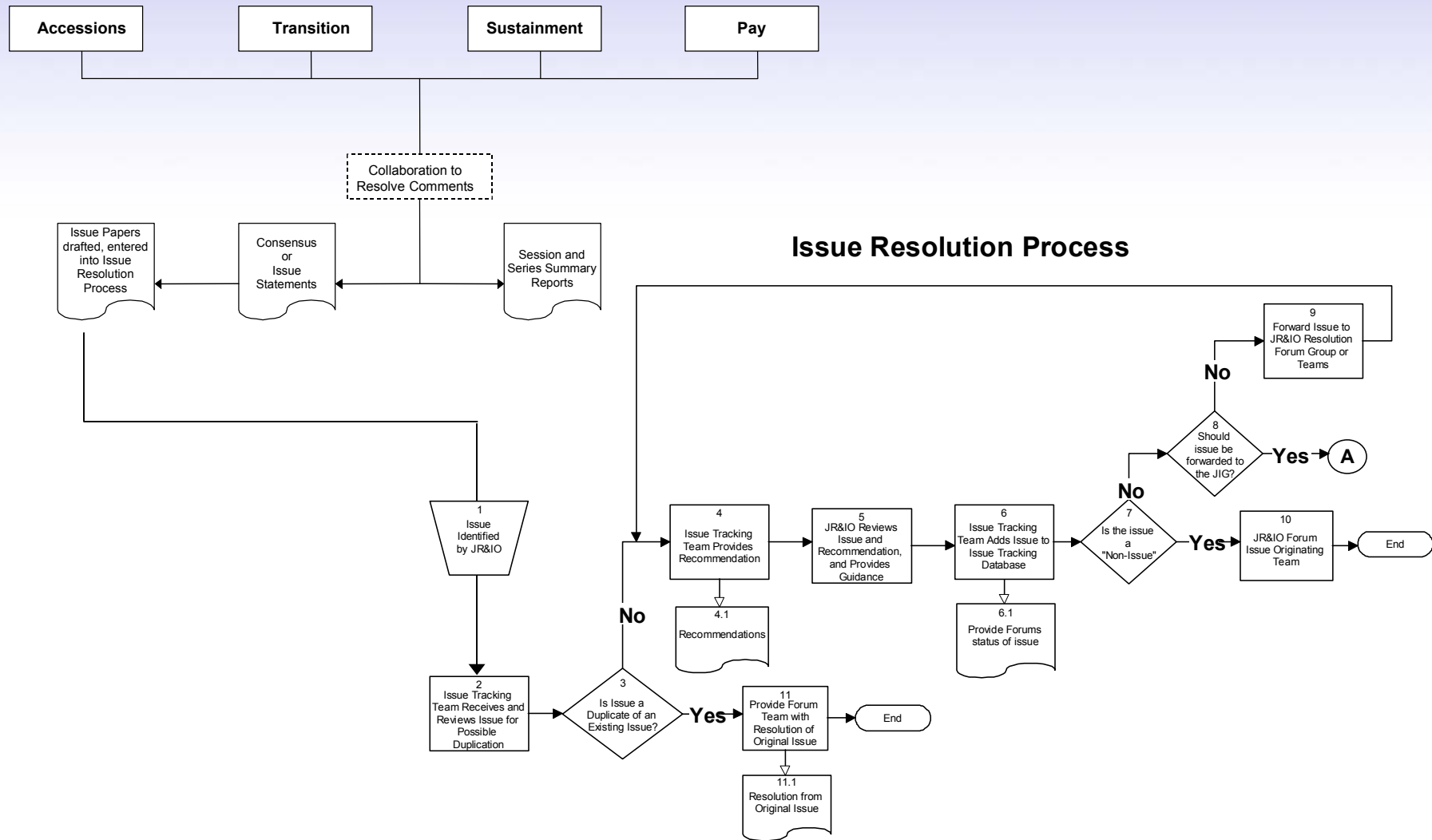


## Example of Comments Out of Scope for FAFG

Service	Feedback ID	Artifact Name	Feedback Description	Service Proposed Solution	JR&IO Response	JR&IO Resolution
DFAS	6799	Executive Summary	In the Round 2 Executive Summary Nurse Candidate Accession Bonus was removed from the BA with the explanation that these individuals are not military members. Regardless of military affiliation DFAS is the paying agent for this bonus and requires that an MMPA be established. In addition, authorization for payment must come from the personnel community.	Reestablish eligibility and compute BA for Nurse Candidate Program Accession Bonus.	Further analysis indicates that Accession Bonuses will be paid through DIMHRS once a Member's record is established.	Accession Bonus Use Cases will be returned to Business Area 03
Air Force	7148	Recoupment	There are a number of use cases missing from the BAs	The following use cases are missing: Dental Accessions Bonus, Pharmacy Officer Accessions Bonus, Registered Nurse Accessions Bonus, Health Professions Loan Repayment.		
Army	7221		JR&IO feedback responses state that accessions will not be addressed; however, in the Agreements folder, there are numerous accessions bonuses included. There is also a Nuclear Program Accession Bonus use case in BA03. Air Force and DFAS feel that Accessions Bonuses should be included in DIMHRS.			
Marines	10507	Executive Summary	"Use Cases" Compute and Eligibility Dental Accession Bonus Amount" are missing from Round 2 review.	Recommend both use cases be included in Round 2.		



# FAFG Process Overview



# Functional Area (Compensation) Focus Group Business Area Overview



Defense Integrated Military Human Resources System  
*for Personnel and Pay*



# Business Area Package Overview

- ▶ Please allow Business Area presenters to complete the overview:
  - Clarification questions are acceptable
  - Write down all clarification questions to be addressed at the end of the overview
  - Don't get caught in the developer/implementer mindset
  - Refrain from side-bar conversation



# Business Area Assumptions

- ▶ Baseline version 1.0 Use Cases served as the baseline for applying specified comment actions
- ▶ Functionality specific to Military pay is documented in the Business Area
- ▶ Major BPR opportunities were identified
- ▶ COTS added value functionality was recognized where applicable
- ▶ Pay type groupings facilitated Business Area package review and delivery



# Key Functional Processes

- ▶ The DIMHRS package covered in this overview principally supports the following FP&A process:
  - F62.03 Support the Computation of Member's Actual or Projected Military Pay
- ▶ BA03, Compensation, supports all of the DIMHRS Functions, Processes, and Activities (FP&A's ) that result in pay transactions



## Business Area 03

# Business Area Structure

- ▶ The Version 2.0 Business Area 03 package is structured as follows:
  - “Pay Eligibility” Use Cases
  - “Pay Subjectivity” Use Cases
  - “Pay Computation” Use Cases
  - “Process” Use Cases
  - “Payroll Construct” documents





## **Major BPR Opportunities**

- ▶ Personnel and Pay integration
- ▶ Duplicate data entry is eliminated
- ▶ Lead-time reductions resulting from integration should reduce volume of retro-active transaction processing
- ▶ Time required to implement legislated pay changes decreases significantly



# COTS Value Added Capabilities

- ▶ Capabilities include:
  - Entry of personnel transactions results in automatic triggering of pay
  - Rules engine enables maintenance by “functional” personnel
  - Multiple pro-ration definitions can be used simultaneously



## **Changes from Version 1.0 to Version 2.0**

- ▶ **Functionality Added**
- ▶ **Functionality Improved**
- ▶ **Functionality Transferred**
- ▶ **Functionality Removed**



## Business Area 03

# Functionality Added

- ▶ Pay Trigger Record Descriptions
  - Statements describing the use of pay trigger records were added to description, pre-conditions, and basic flow
  - Subsequently delivered pay trigger requirements database to JPMO
- ▶ Duty Status Eligibility Business Rules
  - Business rules were added to check a Member's duty status as a condition of eligibility for pay or subjectivity to deduction or withholding



# Functionality Added (cont'd)

- ▶ **Supplementary Clothing Allowance**
  - Two new Use Cases were added for initial and annual allowances
- ▶ **Temporary Duty Civilian Clothing Allowance**
  - A Use Case was added to determine eligibility for Temporary Duty Civilian Clothing Allowance
  - Additional Business Rules were added to the existing Compute Clothing Monetary Allowance (CMA) Amount Use Case
- ▶ **Basic Allowance for Subsistence Supplemental**
  - Two new Use Cases were added for eligibility and computation



# Functionality Added (cont'd)

- ▶ Thrift Savings Plan (TSP) Catch Up Contribution
  - A Use Case was added to Compute Thrift Savings Plan Catch Up Contribution Amounts
- ▶ Increased Pay for Permanent Professors
  - Two new Use Cases were added for eligibility and computation
- ▶ Assignment Incentive Pay
  - Two new Use Cases were added for eligibility and computation



# Functionality Added (cont'd)

- ▶ Document a Member's Agreement Use Case
  - A new Use Case was added for initiating, endorsing, approving and recording agreements in DIMHRS
- ▶ Recoupments
  - A new Use Case was added to recoup unearned amounts of pay previously paid to Members
- ▶ Contract Cancellation Pay and Allowances
  - Two new Use Cases were added for eligibility and computation





# Functionality Added (cont'd)

### ▶ IRS Tax Levy

- A new Use Case was added to determine if a Member is subject to a federal tax levy and to compute the amount to be withheld

### ▶ Debt Processing

- Two new Use Cases were added to determine subjectivity and compute the amount of debt collection

### ▶ Garnishments

- A new Use Case was added to process deductions for child and/or spousal support garnishments



# Functionality Added (cont'd)

- ▶ Accumulators
  - Periodic (e.g., MTD, QTD, FYTD, CYTD)
  - Balance
- ▶ Payroll Constructs
  - Seven documents were added to communicate high level functional requirements and configuration constraints
  - Constructs relate to Global Payroll functionality
  - Repetitive information, such as rounding rules were removed from individual pay type Use Cases
- ▶ Accounting Functional Requirements



# Functionality Improved

### ▶ Person Duty Status Usage

- The eligibility process was streamlined as a result of the expansion of the DIMHRS Person Duty Status concept in BA17

### ▶ Person Identifier

- Incorporated the use of the Person Identifier Information Requirement as a single data element key to store and access Member personnel and pay records



# Functionality Improved (cont'd)

### ► Pay Eligibility Business Rule Structure

- Business Rules were modified to incorporate best practice concepts associated with the Global Payroll COTS application
- Wherever possible, business rules test for a single condition
- Updates present rules and constraints to be considered during system configuration



# Functionality Improved (cont'd)

- ▶ Eligibility for Basic Pay
  - Requirements were clarified to reflect two types of Basic Pay Member can receive
- ▶ Basic Allowance for Housing (BAH)
  - Version 1 Use Cases documented BAH requirements at a very high level
  - Version 2.0 Use Cases were refined to provide more detailed eligibility and computation requirements for BAH pay types



# Functionality Improved (cont'd)

### ► Processing of Forfeitures

- Forfeiture text was added to the Special Requirements section of each pay eligibility Use Case where a forfeiture might apply
- A Use Case was added that documents how to handle the computation and reduction of pay/allowance forfeitures

### ► TRICARE Dental Deduction Interface

- Revised, renamed Use Case documents the functional requirements for an interface of deduction information between DIMHRS and United Concordia



# Functionality Improved (cont'd)

- ▶ Servicemembers' Group Life Insurance
  - Original Use Case divided into two Use Cases for Member and Family amounts to accommodate accumulator requirements
- ▶ Financial Assistance Program
  - Functional Requirements were clarified to differentiate between grants and stipends
  - An additional Use Case was added for stipend computation requirements



# Functionality Improved (cont'd)

### ► Tax Withholdings

- Version 1.0 Use Cases “Determine Eligibility for Tax Withholdings,” “Compute Federal Income Tax Withholding Amount” and “Compute State Income Tax Withholding Amount” were replaced with the Version 2.0 Use Cases “Determine Federal Tax Withholding” and “Determine State Tax Withholding”
- Version 1.0 Use Cases “Determine Eligibility for Local Tax Withholding” and “Compute Local Income Tax Withholding Amount” were combined into the Version 2.0 Use Case “Determine Local Tax Withholding”
- Version 2.0 Use Cases document only requirements which are unique to the Military





# Functionality Improved (cont'd)

- ▶ **Combat Zone Tax Exclusion (CZTE)**
  - Updates to the Use Case identify which states adhere to the federal guidelines for CZTE, mandated in Title 26 USC, Sect. 112
- ▶ **Pay Allotments**
  - Business Area 06, Version 2.0 Use Cases "Start Allotment" and "Modify Allotment" encompass starting, modifying, or stopping an allotment
  - Business Area 03, Version 2.0 Use Cases "Determine Eligibility for Discretionary Allotment" and "Determine Eligibility for Non-Discretionary Allotment" document processes related to determining eligibility for allotments



# Functionality Transferred

- ▶ Legacy pay computation rules were moved to an “As-Is Processing Logic” section of each pay computation Use Case
- ▶ Business Rules associated with Members providing information have been moved to Business Area 06, to support self-service functional requirements



# Functionality Transferred (cont'd)

### ► Benefits Enrollment Eligibility Use Cases

- Multiple Business Area 3 Use Cases transferred to one Business Area 6 Use Case “Maintain Member Benefits”
- Requirements are based on the Member’s enrollment for the named benefit
- The scope of Business Area 06 was expanded in Version 2.0 to include enrollment for benefits

### ► Advance Pay

- Multiple Business Area 3 Use Cases were transferred to Business Areas 2/12 Use Case “Record Member’s Assignment Elections” in Version 2.0



# Functionality Transferred (cont'd)

- ▶ Determine Eligibility for Accrued Leave Pay
  - Determination of eligibility for selling back accrued leave pay is intermingled with leave accounting balance requirements
  - Those requirements fit more appropriately in Business Area 07
  - The “Compute Accrued Leave Pay Amount” Use Case remained in Business Area 03 Version 2.0
- ▶ Medicare and Social Security Tax
  - Requirements for determining the portion of a Member’s pay that is subject to Medicare and Social Security tax was transferred to the Business Area 03, Version 2.0 Use Case “Manage Accumulators”



# Functionality Removed

- ▶ Process steps and Business Rules for “authorizing” pay were removed
- ▶ Temporary Lodging Expense (TLE) Use Cases were removed
  - TLE is a reimbursable expense processed as part of a Member’s Permanent Change of Station (PCS) travel claim
  - Legacy systems which perform these functions are not currently scheduled to be subsumed by DIMHRS



# Functionality Removed (cont'd)

- ▶ Accrued Per Diem Allowance Use Cases were removed
  - This allowance is processed and paid through the Integrated Automated Travel System (IATS)
  - IATS not currently scheduled to be subsumed by DIMHRS
  - A subsequent release of Accrued Per Diem Allowance Use Cases is anticipated due to ongoing analysis
- ▶ Medicare and Social Security Tax
  - Version 1.0 Use Case “Compute Federal Insurance Contributions Act Withholding Amount” was removed because there are no military-specific computation requirements



# Questions?

# Functional Area (Compensation) Focus Group

## Functional Connectivity Overview



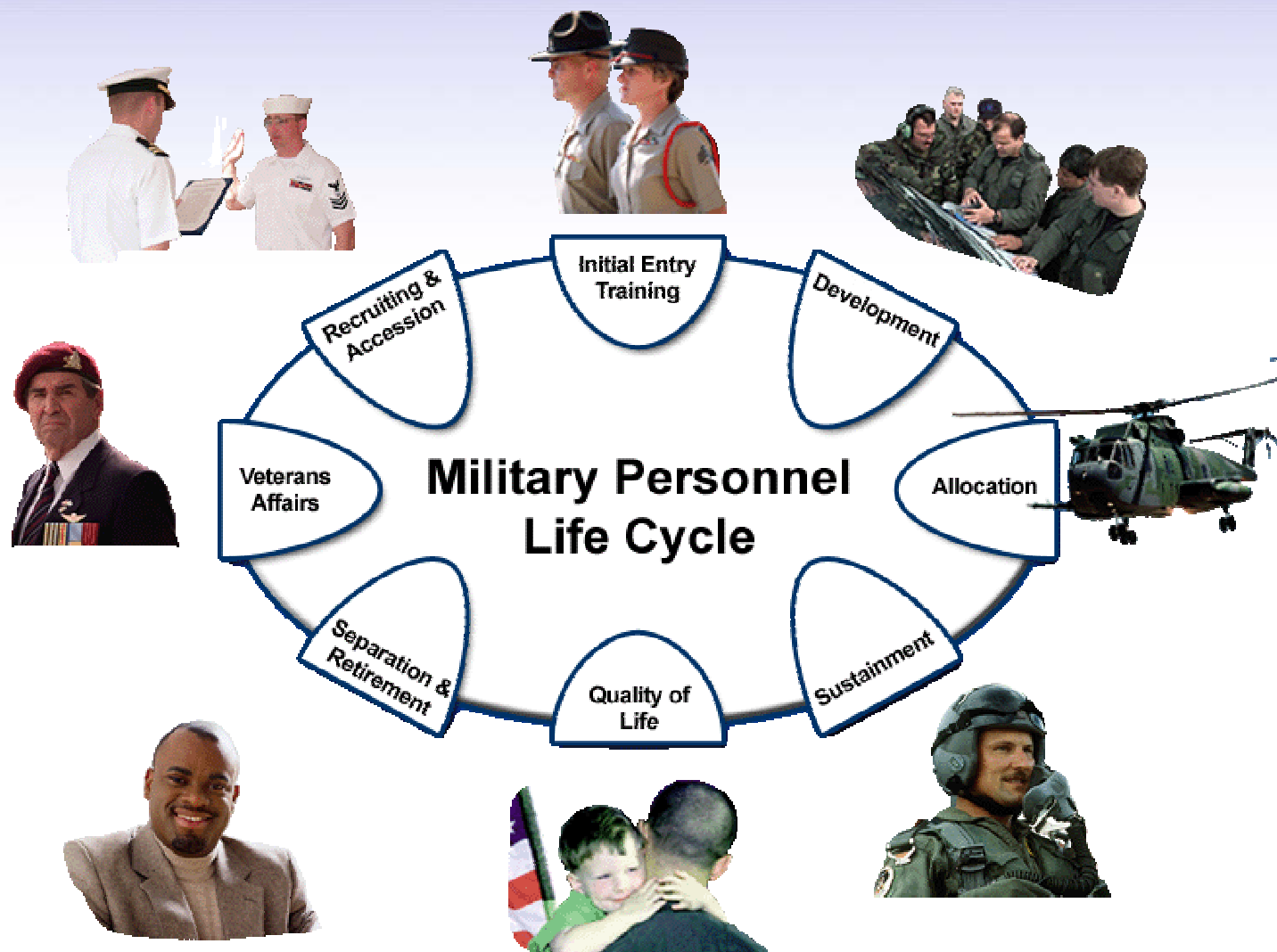
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# Functional Connectivity: Pers/Pay Integration

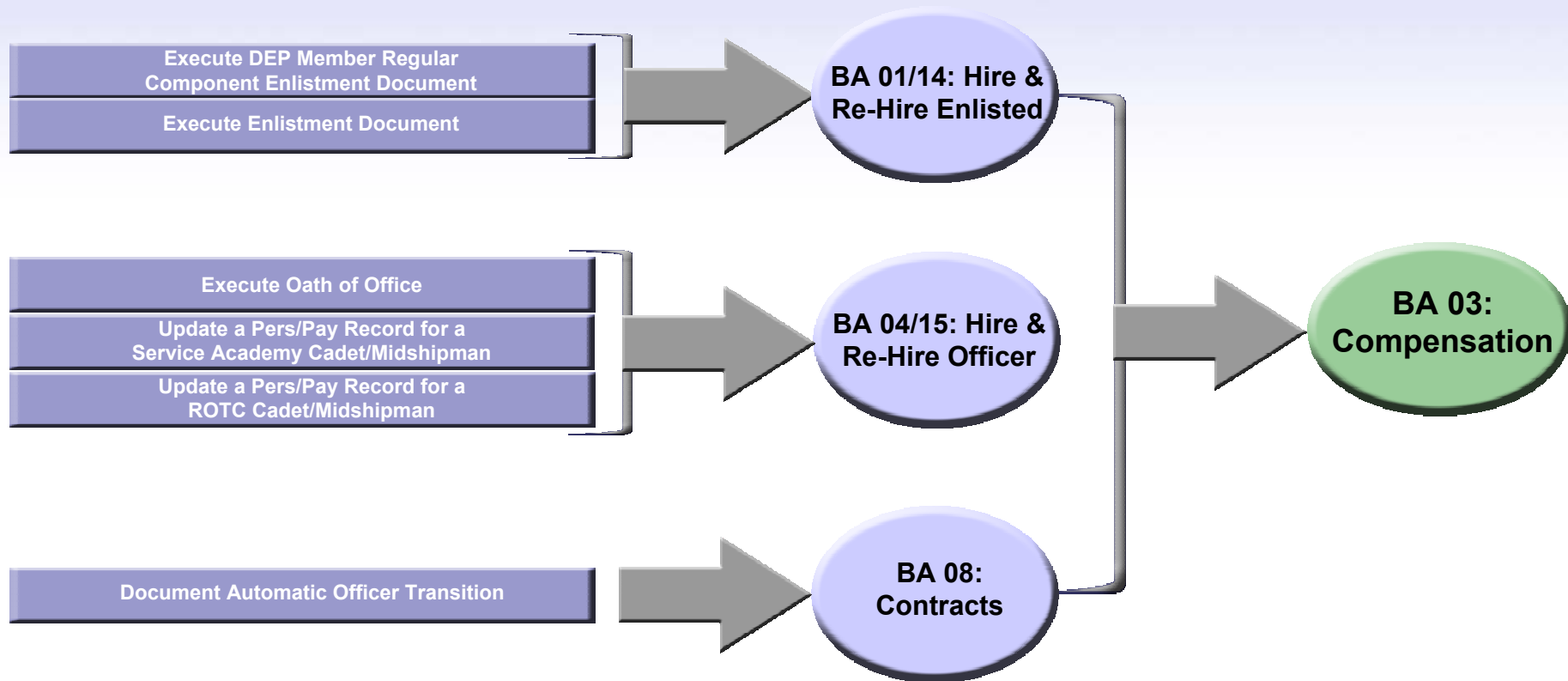
## Compensation Lifecycle





# Functional Connectivity: Pers/Pay Integration

## Determine Eligibility for Basic Pay: *Start*



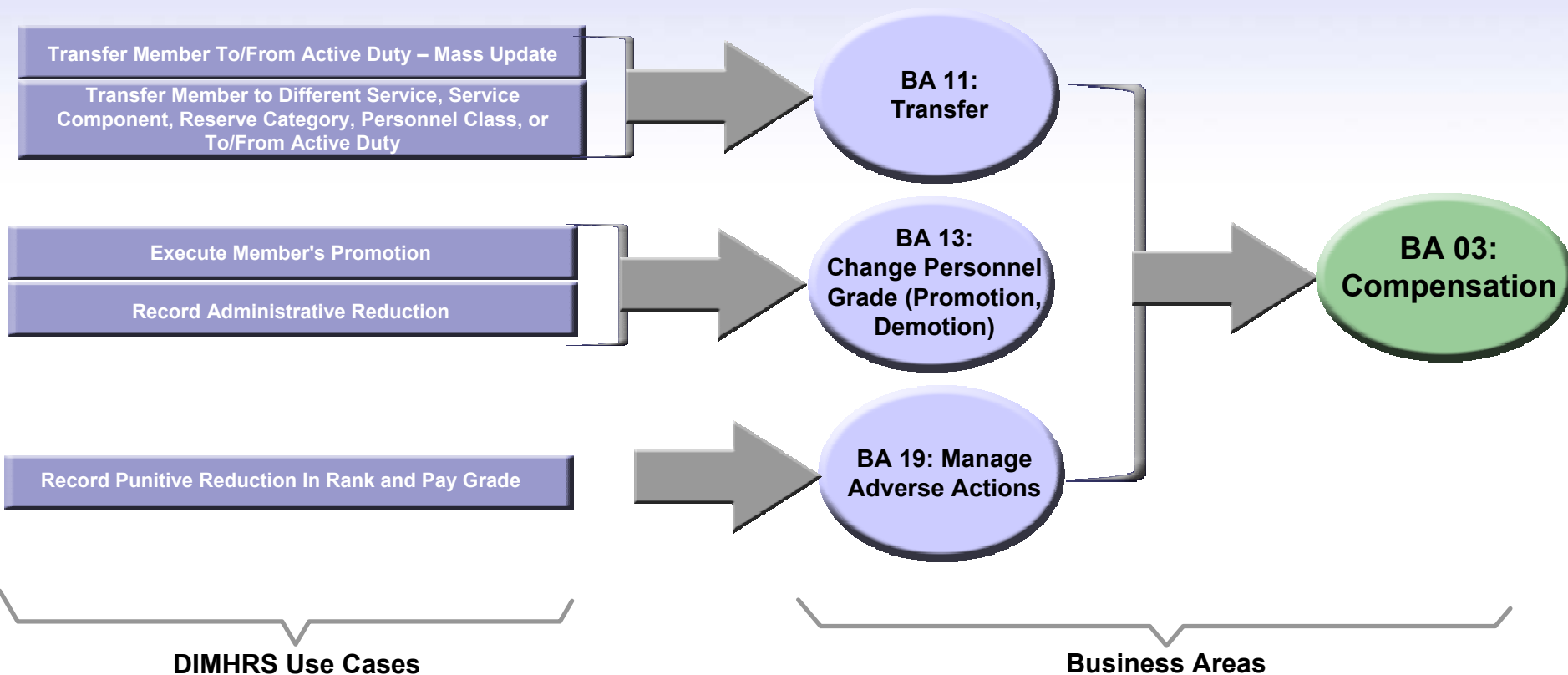
DIMHRS Use Cases

Business Areas



# Functional Connectivity: Pers/Pay Integration

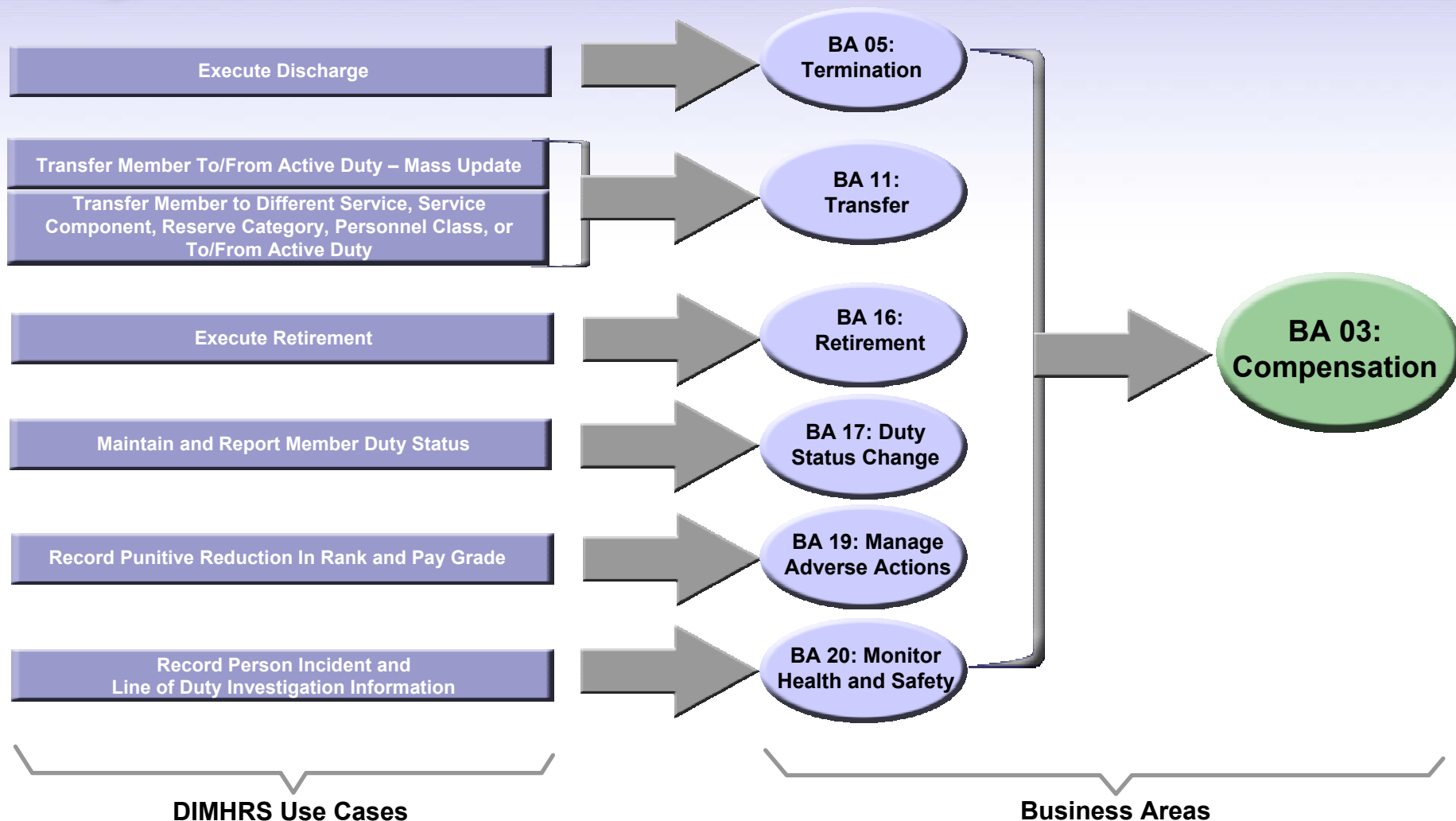
## Determine Eligibility for Basic Pay: *Change*





# Functional Connectivity: Pers/Pay Integration

## Determine Eligibility for Basic Pay: **Stop**





# Questions?

# Functional Area (Compensation) Focus Group

Clarification Topics



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# Clarification vs. Consensus Topics

## ► Clarification Topics

- The focus of these discussions is on educating attendees and clearing up any misunderstandings surrounding the topic.
- These topics do not require development of consensus statements or issues, nor do they involve follow-up actions by focus group attendees.

## ► Consensus Topics

- Consensus Topics deal with comments for which the Services, DFAS and/or JR&IO have conflicting viewpoints.
- The focus of these discussions is on reaching consensus.
- These topics will result in consensus statements or JIG issues, and might involve follow-up actions for focus group attendees.



## Topics for Clarification

- ▶ Topic 1 : Member Notification
- ▶ Topic 2 : Pay Automation
- ▶ Topic 3 : Wages Less Than Zero





# Clarification Topic 1: Member Notification

## Topic Overview

### ► Comment

- No Business Rule exists regarding the notification of Members by letter shortly before or on the date that they complete 14 years and 6 months of active duty.

### ► JR&IO Clarification Points

- Notifications related to data in a Service Member's record, such as length of service, can be handled by PeopleSoft workflow. However, such notifications should be initiated as part of a personnel process, rather than being the outcome of a compensation process.
- The same data may be used in payroll eligibility or computation processing, without regard to the process which initiates notification.
- This topic will be referred to the Requirements Analysis team for further analysis and possible reassignment to another Business Area.



## Clarification Topic 2: Pay Automation

### Topic Overview

#### ► Comment

- It was suggested that the following solution presented by NGIT is unacceptable. If DIMHRS is to pay millions of members per month, how will those members that have an error get paid?
  - ✓ If a service member has an earnings or deduction assignment in Global Payroll for which they are ineligible, a record can be written to a write-able array identifying the service member ID and earnings or deduction element name. A report can be produced from this log table and sent to an HR specialist for verification and action.



## Clarification Topic 2: Pay Automation

### Topic Overview (cont'd)

#### ► JR&IO Clarification Points

- The DIMHRS requirement is for pay to be automatically started, stopped, and adjusted wherever possible.
- The requirements do not preclude the development of a final solution that reduces payroll processing overhead.
- The final solution must also provide the means for efficient error resolution.
- JIG Issue 93, Data Edits and Validation, clearly states the requirement for “on-line” edits to prevent overpayment and underpayment for automatic eligibility determination. The JIG referred Issue 93 to JPMO/D&I to evaluate possible solutions and impacts.



## Clarification Topic 3: Wages Less than Zero

### Topic Overview

#### ► Comment

- Language should be added to the Use Cases to cover situations where a Service Member's wages are less than zero.

#### ► JR&IO Clarification Points

- Computation logic contained with legacy payroll systems does not necessarily represent best business practices.
- Language will be added to DIMHRS requirements documentation precluding net negative wage computation.
- The D&I will determine the best method to handle debts resulting from payroll adjustments.



## Conclusion of Day 1

- ▶ Wrap-Up of Day 1
- ▶ Preview of Day 2

# Functional Area (Compensation) Focus Group

Day Two



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# Consensus Topic 1: CZTE Service Specific Rules

## Topic Summary

- ▶ Currently, personnel authorized CZTE may elect one of three options:
  - Federal and state deductions based on total taxable wages less monthly wages exclusion (equal to the maximum enlisted monthly basic pay amount (plus HF/IDP, if applicable)).
  - Federal and state deductions based on total taxable wages without regard to monthly wage exclusion.
  - Federal and state deductions based on the previous withholding election.



# Consensus Topic 1: CZTE Service Specific Rules

## Topic Overview

- ▶ **DIMHRS Goal:**
  - Standardize tax treatment for CZTE earnings.
- ▶ **Purpose:**
  - To standardize business practices and reduce the burden and associated costs of initial system configuration, on-going maintenance, and payroll processing system overhead.
- ▶ **Discussion:**
  - Continuation of current practices may require three different subsets of tax processing logic to be applied for officers and enlisted personnel.
  - If personnel believe they will be under-withheld for the year due to CZTE, they can elect additional withholding on non-CZTE earnings.





# Consensus Topic 1: CZTE Service Specific Rules

## Comments

Business Area	Service	Feedback ID	Artifact Name	Feedback Description	Service Proposed Solution	JR&IO Response	JR&IO Resolution
03	DFAS	10398	Compute Combat Zone Tax Exclusion Commissioned Officer Amount	See ID 84) Additionally, current BR has two qualifiers: Eligible and Ineligible. If officer qualifies for CZTE, then DIMHRS applies the 100 percent rule.	BA 04/15 need to be revisited in order to properly capture the Navy "as is" process. Officers authorized CZTE may elect one of three options 1. Federal and state deductions are based on total taxable wages less monthly wages exclusion (equal to the maximum enlisted monthly basic pay amount (plus HF/IDP, if applicable) 2. Federal and state deductions are based on total taxable wages without regard to monthly wage exclusion 3. Federal and state deductions are based on the previous withholding election.	Continuation of current practices may require three different subsets of tax processing logic to be applied for Naval Officers, other Officers and Enlisted personnel.  If Naval Officers believe they will be under-withheld for the year due to Combat Zone Tax Exclusion, they can elect additional withholding on non CZTE earnings.	Standardize tax treatment for Combat Zone Tax Excludable earnings



## Consensus Topic 1: CZTE Service Specific Rules

### Statement of Consensus

- ▶ When a Member is eligible for CZTE, DIMHRS will allow for a Member to choose to have their income taxed. If the Member chooses to have their income taxed, DIMHRS will note that the Member does not want the tax exclusion and DIMHRS will default the Member's withholding to their W-4 deductions.

# Functional Area (Compensation) Focus Group

Service Feedback  
Facilitated Discussion



Defense Integrated Military Human Resources System  
*for Personnel and Pay*



## Compensation FAFG Agenda

**March 17, 2004**

- |             |    |   |
|-------------|----|---|
| 0900 – 0915 | -- | Welcome and Logistics   |
| 0915 – 1015 | -- | Facilitated Discussion: Track Incentive Pay Quals<br>– Finalize Consensus Statement |
| 1015 – 1030 | -- | Break   |
| 1030 – 1200 | -- | Open Forum Discussion   |
| 1200 – 1330 | -- | Lunch   |
| 1330 – 1445 | -- | Conclusion and Hotwash  |



## Discussion Process

- ▶ JR&IO perspective
- ▶ Service perspective (if desired)
- ▶ Facilitated discussion
- ▶ Consensus or issue statement



## Topics for Consideration

- ▶ Topic 1 : Combat Zone Tax Exclusion (CZTE)  
Service Specific Rules
- ▶ Topic 2 : Track Incentive Pay Quals



## Consensus Topic 2: Track Incentive Pay Quals

### Topic Summary

- ▶ Qualification information is necessary to determine eligibility for incentive pays.
- ▶ Two new Use Cases accommodate the receipt of qualification data necessary to determine pay eligibility:
  - Receive Member's Duty Participation Information (Interface)
  - Record Member's Duty Participation Information (Manual)



## Consensus Topic 2: Track Incentive Pay Quals

### Topic Overview

#### ▶ DIMHRS Goal:

- DIMHRS will contain all necessary information to determine eligibility for any incentive pay or entitlement.

#### ▶ Purpose:

- Qualifying information must be accounted for to facilitate continuous payment of entitlements.

#### ▶ Discussion:

- Qualification data may be entered in DIMHRS by an authorized authority, or received via interface, at the discretion of the Developer/Implementer.
- Nothing in the functional requirements is intended to preclude a constructed solution which reduces system overhead.





## Consensus Topic 2: Track Incentive Pay Quals

### Comments

Business Area	Service	Feedback ID	Artifact Name	Feedback Description	Service Proposed Solution	JR&IO Response	JR&IO Resolution
03		6957	Determine Eligibility for Parachute Duty Pay	Refer to round 1 comment #9785. Parachute jumps must be accounted for in order to activate a continuous entitlement. Monthly certification of parachute pay will be too cumbersome for field activities to accomplish until DIMHRS Training is activated.	Change BR	Jump qualification information necessary to determine eligibility for any type of jump pay will be contained within DIMHRS. This data may be entered, or received via interface. Nothing in the requirements is intended to preclude a constructed solution which reduces payroll processing overhead.	Two new Use Case were added to accommodate the receipt of jump qualification data necessary to determine pay eligibility:  Receive Member's Duty Participation Information (Interface) and Record Member's Duty Participation Information (Manual) Business Area artifacts. The D&I will determine the best method to obtain, store and access eligibility data.



## Consensus Topic 2: Track Incentive Pay Quals

### Statement of Consensus

- ▶ DIMHRS will receive an interface from the Services' Training/Operations systems, where available.
- ▶ DIMHRS will provide the capability to manually enter detailed qualification information (into DIMHRS) related to entitlements when an interface is unavailable.
- ▶ DIMHRS will record information based on other Personnel transactions that may support authorization for the “incentive” pay.



## Open Forum Round Table Discussion

- ▶ DFAS Additional Topics for Discussion
  - See Handout
- ▶ Other Topics for Discussion



## Conclusion of Day Two Hotwash

### ► What went well?

- DFAS and Army opportunity to discuss their comments
- Formalizing interactions between the Services and DFAS
- Prior Data Gathering efforts have been used to build current functional requirements artifacts

### ► What could be improved?

- All Services should have an opportunity to discuss comments during the Open Forum
- Less time on BA Overview – Read Ahead; Actively participate in the Topic selection process
- Clarification Comments as a Handout and a Read Ahead
- Facilitate the Open Discussion (timer) – not a round table
- Before Focus Group -- Comments integrated into packages; Services review packages

# **Change Management Focus Group Functional Area (Compensation)**

March 16-17, 2004

*Agenda and Discussion Topics*



Defense Integrated Military Human Resources System  
*for Personnel and Pay*



## Compensation FAFG Agenda

**March 16, 2004**

- |             |    |  |
|-------------|----|--|
| 0900 – 0930 | -- | Welcome, Introductions and Logistics                           |
|             | -- | Methodology of Focus Group Session                             |
| 0930 – 1015 | -- | Overview of Business Area 03                                   |
| 1015 – 1030 | -- | Break  |
| 1030 – 1200 | -- | Overview of Business Area 03 (cont'd)                          |
| 1200 – 1330 | -- | Lunch  |
| 1330 – 1430 | -- | Functional Connectivity Map –<br>Illustration of Pay Processes |
| 1430 – 1445 | -- | Break  |



## Compensation FAFG Agenda March 16, 2004 (cont'd)

1445 – 1545    --    Facilitated Discussion: Topics for Clarification

1545 – 1600    --    Wrap-Up of Day 1; Preview of Day 2



# Compensation FAFG Agenda

**March 17, 2004**

- 0900 – 0915    --    Welcome and Logistics
- 0915 – 1015    --    Facilitated Discussion: CZTE Service Specific Rules
  - JR&IO and Service Position Statements
  - Facilitated Discussion
- 1015 – 1030    --    Break
- 1030 – 1130    --    Facilitated Discussion: Track Jumps
  - JR&IO and Service Position Statements
  - Facilitated Discussion
- 1130 – 1300    --    Lunch
- 1300 – 1400    --    Open Forum Discussion





## Compensation FAFG Agenda March 17, 2004 (cont'd)

1400 – 1415    --    Break

1415 – 1445    --    Conclusion and Hotwash



## Topics for Consideration

- ▶ Topic 1 : Combat Zone Tax Exclusion (CZTE)  
Service Specific Rules
- ▶ Topic 2 : Track Jumps



# Topic 1: CZTE Service Specific Rules

## Topic Summary

- ▶ Currently, personnel authorized CZTE may elect one of three options:
  - Federal and state deductions based on total taxable wages less monthly wages exclusion (equal to the maximum enlisted monthly basic pay amount (plus HF/IDP, if applicable)).
  - Federal and state deductions based on total taxable wages without regard to monthly wage exclusion 3.
  - Federal and state deductions based on the previous withholding election.



# Topic 1: CZTE Service Specific Rules

## Topic Overview

- ▶ **DIMHRS Goal:**
  - Standardize tax treatment for CZTE earnings.
- ▶ **Purpose:**
  - To standardize business practices and reduce the burden and associated costs of initial system configuration, on-going maintenance, and payroll processing system overhead.
- ▶ **Discussion:**
  - Continuation of current practices may require three different subsets of tax processing logic to be applied for officers and enlisted personnel.
  - If personnel believe they will be under-withheld for the year due to CZTE, they can elect additional withholding on non-CZTE earnings.



# Topic 1: CZTE Service Specific Rules

## Comments

Business Area	Service	Feedback ID	Artifact Name	Feedback Description	Service Proposed Solution	JR&IO Response	JR&IO Resolution
03	DFAS	10398	Compute Combat Zone Tax Exclusion Commissioned Officer Amount	See ID 84) Additionally, current BR has two qualifiers: Eligible and Ineligible. If officer qualifies for CZTE, then DIMHRS applies the 100 percent rule.	BA 04/15 need to be revisited in order to properly capture the Navy "as is" process. Officers authorized CZTE may elect one of three options 1. Federal and state deductions are based on total taxable wages less monthly wages exclusion (equal to the maximum enlisted monthly basic pay amount (plus HF/IDP, if applicable) 2. Federal and state deductions are based on total taxable wages without regard to monthly wage exclusion 3. Federal and state deductions are based on the previous withholding election.	Continuation of current practices may require three different subsets of tax processing logic to be applied for Naval Officers, other Officers and Enlisted personnel.  If Naval Officers believe they will be under-withheld for the year due to Combat Zone Tax Exclusion, they can elect additional withholding on non CZTE earnings.	Standardize tax treatment for Combat Zone Tax Excludable earnings



DIMHRS ...transforming Military Personnel and Pay



## Topic 2: Track Jumps

### Topic Summary

- ▶ Jump qualification information is necessary to determine eligibility for jump pay.
- ▶ Two new Use Cases accommodate the receipt of jump qualification data necessary to determine pay eligibility:
  - Receive Member's Duty Participation Information (Interface)
  - Record Member's Duty Participation Information (Manual)



## Topic 2: Track Jumps

### Topic Overview

#### ▶ DIMHRS Goal:

- DIMHRS will contain all necessary information to determine eligibility for any jump pay or entitlement.

#### ▶ Purpose:

- Qualifying parachute jumps must be accounted for to facilitate continuous payment of entitlement.

#### ▶ Discussion:

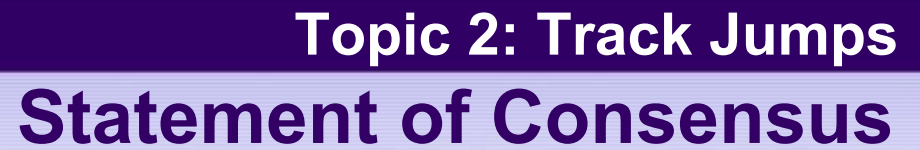
- Jump qualification data may be entered in DIMHRS by an authorized authority, or received via interface, at the discretion of the Developer/Integrator.
- Nothing in the functional requirements is intended to preclude a constructed solution which reduces system overhead.





## Topic 2: Track Jumps Comments

Business Area	Service	Feedback ID	Artifact Name	Feedback Description	Service Proposed Solution	JR&IO Response	JR&IO Resolution
03		6957	Determine Eligibility for Parachute Duty Pay	Refer to round 1 comment #9785. Parachute jumps must be accounted for in order to activate a continuous entitlement. Monthly certification of parachute pay will be too cumbersome for field activities to accomplish until DIMHRS Training is activated.	Change BR	Jump qualification information necessary to determine eligibility for any type of jump pay will be contained within DIMHRS. This data may be entered, or received via interface. Nothing in the requirements is intended to preclude a constructed solution which reduces payroll processing overhead.	Two new Use Case were added to accommodate the receipt of jump qualification data necessary to determine pay eligibility:  Receive Member's Duty Participation Information (Interface) and Record Member's Duty Participation Information (Manual) Business Area artifacts. The D&I will determine the best method to obtain, store and access eligibility data.

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. There is no handwriting or other markings on the paper.

Number	Question/Comment	Response
1	<p><b>Requests for Additional Information</b></p> <p>Several parking lot items related to requests for additional information.</p>	<p>During the focus group, JR&amp;IO agreed to the following information requests:</p> <ul style="list-style-type: none"> <li>• Provide JIG attendees with the Baseline Version 2 Rational Project on CD on March 18, 2004</li> <li>• Post Business Area Use Cases on the JR&amp;IO website in PDF format at the earliest opportunity</li> <li>• Provide participants with D&amp;I points for clarification</li> <li>• Provide participants with detailed trigger requirements previously delivered to JPMO</li> </ul> <p>This was completed on March 29, 2004.</p>
2	<p><b>Accrued Per Diem (O&amp;M \$ Charged Through Payroll)</b></p> <p>The Marine Corps discussed their use of a contingency, fixed rate per diem for deployed units. In the past, individuals were required to file travel claims to receive per diem, resulting in a massive amount of claims when considering an entire deployed unit. The Marine Corps has changed this process so that per diem expenses are reportable through the pay system and the system then credits the individual's military pay account. This funding comes out of O&amp;M. They asked whether DIMHRS is looking at this sort of system to credit the individual's accounts, rather than requiring individual travel claims.</p>	<p>The processes that support eligibility determination and computation of per diem and other travel related expenses are currently not in scope for DIMHRS (Pers/Pay). These processes are supported by the Integrated Automated Travel System (IATS) and Defense Travel System (DTS). The payment of per diem and other travel related entitlements is a disbursing function which is not in scope for DIMHRS (Pers/Pay).</p> <p>Since the payment of "accrued" per diem must be liquidated with a travel claim process at the end of deployment, it technically constitutes an advance payment of per diem. If the Services determine they need a capability in DIMHRS (Pers/Pay) to determine a Member's eligibility and compute payment for per diem and other travel related expenses a change request should be submitted to the Functional Requirements Review Board (FRRB).</p>
3	<p><b>Order Writing Integration</b></p> <p>The Navy discussed the importance of integrating the order writing system into the BMMP process. Participants requested an Order Writing Focus Group to consider all options.</p>	<p>This question will be coordinated with the JR&amp;IO BMMP team.</p>

Number	Question/Comment	Response
4	<p><b>Split Pay</b></p> <p>The Navy asked how DIMHRS will handle split pay.</p> <p>DFAS commented on split pay and JR&amp;IO's statement that this is a disbursement requirement. DFAS agrees that disbursement requirements are out of scope for DIMHRS, but said that there is an allotment-like process that is part of the payroll process related to split pay. This needs to be managed in the payroll process. This is not just an election process, but how it is managed in terms on paying debts. DFAS requested that further analysis be conducted on this issue to make sure there are not self-service elements that are being overlooked.</p>	<p>Although participants agreed that split pay is ultimately a disbursement requirement, which falls outside the scope of DIMHRS, there must be a means for the Member to make an election, and net pay computation logic must support the possible outcome of split pay.</p> <p>JR&amp;IO initiated a Functional Requirements Review Board (FRRB) request to determine if the Baseline Requirements should be changed to support "split pay" requirements. The FRRB approved the request for submission to the JPMO during the April 29, 2004 meeting. The FRRB has asked the JPMO to evaluate the cost/schedule impact of allowing all Services to use the "split pay" option if desired. When the JPMO has completed the analysis, the FRRB will make a final decision.</p>
5	<p><b>Data Validation vs. Pay Eligibility</b></p> <p>DFAS noted that there are cases where authorization is a separate step from eligibility. They expressed concerns about invalid data getting into the DIMHRS database, and stated that at the point of entry into the database, DIMHRS should not store data that has not been validated. They do not believe there is a mechanism to do this in Global Payroll. DFAS also requested clarification on the definition of pay eligibility.</p>	<p>The DIMHRS ORD states the requirements/parameters for data validation. The Business Area packages contain the functional requirements for an "HR Specialist" to verify information provided by the Member when a document is required to "validate" data entry. See the Business Area 06 Use Cases. Specific changes to a Business Rule or Information Requirement will be evaluated and implemented as necessary.</p>

Number	Question/Comment	Response
6	<p><b>Fiduciary Responsibility Shifting? (2 Man Rule – Preparer Certification – Audit Process)</b></p> <p>DFAS brought up the issue that no one person should be able to initiate payment. Currently, Finance has fiduciary responsibility for the initiation of pay. If Finance does not have this responsibility in the future, they believe we need to institute a new HR process. DFAS also stressed the importance of knowing what the intermediate steps would be in this process.</p>	<p>The DIMHRS ORD includes the requirement for one-time entry of data to automatically trigger pay transactions. Pay will automatically occur based upon the entering of personnel data into the system.</p> <p>Through the Access Hierarchy requirements, Roles will be defined which will enable only “authorized” users to enter the appropriate personnel transactions that affect pay. Where necessary, as noted in the Functional Requirements, this will be augmented with Workflow for notifications and additional approvals.</p> <p>Using PeopleSoft Global Payroll, DIMHRS will evaluate Member data in the calculation of pay process. The availability of HR data for evaluation by payroll is largely an automatic process. This evaluation is based on rules that specifically determine the eligibility and calculation required to accurate account for every pay type. These rules, in part, support Finance’s fiduciary responsibility by systematically enforcing DOD regulations.</p> <p>Throughout the payroll cycle, there are opportunities to review the payroll data and make corrections before the payroll is finalized and subsequently disbursed. This iterative process provides opportunities for audit and review to ensure an accurate payroll.</p>
7	<p><b>Self-Service Focus Group Request</b></p> <p>Multiple attendees requested that there be a Self-Service Focus Group in the future.</p>	<p>JR&amp;IO has identified those processes and information requirements that can be updated or viewed via member self-service.</p> <p>JR&amp;IO does not foresee a need for an additional “Self-Service” Focus Group in the immediate future. The results of the Self-Service Working Session held in December, 2001 are still valid. When JR&amp;IO completed the push to document the baseline requirement in March of this year, it started an internal review of “Self-Service” requirements/functionality associated with the baseline requirements. JR&amp;IO is in the process of updating “Self-Service” requirements/functionality across all DIMHRS Business Areas. JR&amp;IO will coordinate any update with the NGIT Tiger-Team to minimize impact on the development process.</p>

Number	Question/Comment	Response
8	<p><b>Adjustments to Withholding During Current Tax Year</b></p> <p>During the discussion of Clarification Topic 3, “Wages Less than Zero” participants discussed the process for adjusting withholding during the current tax year. DFAS asked how a Member’s refund of taxes withheld would be computed without taking the wages negative.</p>	<p>DIMHRS will be capable of tracking overpayments and related over-withholding through the use of accumulators, without computing negative “net pay” amounts. The D&amp;I will determine the best method to achieve the required computation results.</p>
9	<p><b>Command Self-Service Capability (Track Quals)</b></p> <p>During the discussion of Consensus Topic 2, participants asked whether DIMHRS will provide Self-Service capability at the Command level to manually enter qualification information.</p>	<p>DIMHRS will provide certain functionality through PeopleSoft Manager Self-Service. Additionally, roles and access hierarchy will allow Command access to qualification data.</p>
10	<p><b>Update Use Case “Record a Member’s Duty Participation” With Service Feedback (BA 02/12)</b></p> <p>Focus group attendees requested that the Use Case “Record a Member’s Duty Participation” be updated with Round two feedback.</p>	<p>The Transition requirements analysis team has updated the functional requirements for recording duty participation in DIMHRS. The March 2004 Baseline contains two Use Cases related to this requirement. The Use Case “Record A Member's Duty Participation (Manual)” documents the requirements for a positive entry capability. It supports the manual update of duty participation information in DIMHRS by an HR Specialist. The Use Case “Receive Member's Duty Participation Information (Interface)” documents the requirements for an interface between DIMHRS and the Service’s systems that provide operational related duty participation information and that provide Reserve/Guard duty participation information. JR&amp;IO recommends the Services/DFAS review these Use Cases and their updated requirements to determine if additional changes to the requirements are needed. If a change is necessary, a change request should be submitted to the Functional Requirements Review Board (FRRB).</p>
11	<p><b>JR&amp;IO Owes Response to DFAS Item #3: Student and Health Professional Loan Repayment</b></p> <p>JR&amp;IO will respond to DFAS on item #3 from their listing of issues related to Student and Health Professional Loan Repayment. DFAS and the Army requested that an additional Use Case be added to BA 03.</p>	<p>JR&amp;IO has completed their review of the requirements for College Loan Repayment functionality and agrees that it should be added to the functional requirements for DIMHRS (Pers/Pay). JR&amp;IO will submit a request to the Functional Requirements Review Board (FRRB) in time for consideration at the July 2004 session.</p>

Number	Question/Comment	Response
12	<p><b>Services to Provide Additional Information Regarding Secretarial Waivers</b></p> <p>Focus group participants offered to provide JR&amp;IO with additional information on waivers by Wednesday, March 24th. Specifically, there is a need to know whether eligibility requirements need to be waived at the data element or pay type level, or both. Additionally, attendees were asked to provide input as to how Secretarial Waivers are currently applied in their Service.</p>	<p>The Navy and USMC have responded to this request as of 06 May 2004. JR&amp;IO will initiate analysis of the requirements for Secretarial Waivers when all of the Services have responded.</p>
13	<p><b>Review Retroactive Processing Use Case to Ensure Payroll Corrections can be Accommodated</b></p> <p>The Army asked about situations where manual recalculation of data is necessary, specifically in a retroactive situation related to payroll corrections. This is currently a common occurrence.</p>	<p>DIMHRS will provide payroll correction capability. Payroll adjustment requirements are covered in the accounting requirements. The Retroactive Processing Pay Construct Specification supports the DIMHRS requirements to handle retroactive data changes that impact pay.</p> <p>In DIMHRS, the preferable method would be to correct the Member's personnel record by adding missing, effective-dated records, and letting the system compute retroactively. The primary limiting factor will be the amount of historical data converted at IOC.</p> <p>The Retro Processing Pay Construct provides requirements that address this question.</p>
14	<p><b>Check Requirement for Historical Payroll Data</b></p> <p>DFAS asked if there is a system requirement for DIMHRS to contain a specific amount of historical data. DFAS stated that the reasonable amount of time for system computation of retroactive corrections is two years. They also stated that there needs to be a minimum of six months of historical data at IOC, given the volume of retroactive transactions and the amount of work involved in manually computing retroactive corrections.</p>	<p>JR&amp;IO will coordinate this action with JPMO.</p>

**March 16-17, 2003 –Compensation Functional Area Focus Group**  
Attendee Comments and Questions

Number	Question/Comment	Response
<p><b>15</b></p>	<p><b>Review BAH Use Case for 139+ Days Business Rules</b></p> <p>Discussion among the participants indicated that there might be some disparate Services relating to 139+ days business rules. The Air Force indicated that new regulations had been released which clarified the conditions for reaching 140 days.</p>	<p>JR&amp;IO has reviewed the Business Rules in the March 2004 Baseline dealing with Reserve/Guard Members on active duty and confirms that the use of the phrases “139 days or less” and “140 days or longer” are correct.</p>
<p><b>16</b></p>	<p><b>Member status definition clarification</b></p> <p>Member status definitions need to be clarified to include all Reserve component statuses. Currently, the term “Reserve/National Guard not on Active Duty/Inactive Duty” has multiple meanings. Each meaning has discreet entitlement impacts.</p>	<p>JR&amp;IO has researched this question and it appears to be related to a value in the Information Requirement “Person Duty Status”. The value “LAA – Reserve/Guard Member Not On Active Or Inactive Duty” defines a discrete status for a Reserve/Guard Member. JR&amp;IO is not aware of any missing Reserve component statuses. If a Service or DFAS believes a status is missing then a Functional Requirements Review Board (FRRB) Request should be submitted for consideration.</p>





## *Objective to build consensus on Compensation Business Area package* **Focus Group to address unresolved Service comments**

The Joint Requirements and Integration Office (JR&IO) will sponsor the fourth in a series of Functional Area Focus Groups (FAFG) on March 16<sup>th</sup> and 17<sup>th</sup>, focusing on the Compensation Functional Area. These sessions are designed to facilitate discussion among attendees about unresolved comments to the Defense Integrated Military Human Resources System (DIMHRS) Business Area (BA) Requirements Packages. The BA 03 package contains Military Human Resource processes from the Compensation Functional Area. The Compensation Use Cases contained in BA 03 are organized into 5 groupings (see listing below) to facilitate the focus group overview presentation and discussion.

Following an overview of BA 03, attendees will discuss the topics that have been selected for consideration at the focus group. The topics

### **Functional Area Focus Group - Compensation**

**Who Should Attend:** Senior representatives from the Services, OUSD(P&R)(MPP), OASD/RA(MP), OUSD (COMPT), DFAS, DMDC, J-1, and JPMO.

**Dates:** March 16-17, 2004 @ 0900

**Location:** JR&IO Offices, Arlington, VA

For more information, email:

[JRIOFocusGroups@osd.pentagon.mil](mailto:JRIOFocusGroups@osd.pentagon.mil)

discussed during the FAFG series are a result of JR&IO's collaborative review of all Service/DFAS comments relative to the BA packages. During this process, topics are highlighted that require further input from the Services/DFAS for resolution. These topics are the focus for each FAFG.

JR&IO will present a brief perspective statement relative to each topic, followed by an opportunity for Service/DFAS statements that provide their organizations' perspectives. Participants will then engage in facilitated discussion to resolve comments, or to collaboratively draft issue statements that will be used to introduce remaining items into JR&IO's issue resolution process.

This will be the final session in the Functional Area Focus Group series.

### **BA 03 Compensation Package**

*The Use Cases from BA 03 will be grouped as follows for the Compensation overview:*

- "Pay Eligibility" Use Cases
- "Pay Subjectivity" Use Cases
- "Pay Computation" Use Cases
- "Process" Use Cases
- "Payroll Construct" documents



# What Can You Expect?

During the upcoming JR&IO sponsored Compensation Functional Area Focus Group (FAFG), scheduled for March 16<sup>th</sup> and 17<sup>th</sup>, you can expect to collaborate with your colleagues from other Services and Defense Agencies to discuss unresolved comments on the Compensation Business Area (BA) package. Two topics have been selected for consideration during this session – “CZTE Service Specific Rules” and “Track Jumps.”

The Services and JR&IO will have the opportunity to provide a brief perspective statement for each Compensation FAFG topic prior to a facilitated discussion. Reconciliation of disparities in Service feedback will be addressed during these discussions and a consensus statement will be drafted. If attendee consensus is not reached, an issue statement may be drafted and referred to the JR&IO issue resolution process.

During day one, you will receive an overview of the Compensation BA Package followed by a question and answer period. This overview will be followed by a discussion of clarification topics. This will involve educating attendees and clearing up misunderstandings surrounding particular feedback comments.

On day two, attendees will consider both focus group consensus topics. Following the consensus topical discussions, attendees will participate in an open forum discussion to identify and consider any remaining issues related to the Compensation Functional Area. Attendees will provide input in a Hotwash prior to the conclusion of the focus group.

# Compensation Functional Area Focus Group

**March 16-17, 2004**

Topics for Consideration



Defense Integrated Military Human Resources System  
*for Personnel and Pay*



# Table of Contents

- ▶ Consensus Topics
  - Topic 1 : CZTE Service Specific Rules
  - Topic 2 : Track Jumps



# Consensus Topic 1: CZTE Service Specific Rules

## Topic Summary

- ▶ Currently, Naval Officers authorized CZTE may elect one of three options:
  - Federal and state deductions are based on total taxable wages less monthly wages exclusion (equal to the maximum enlisted monthly basic pay amount (plus HF/IDP, if applicable))
  - Federal and state deductions are based on total taxable wages without regard to monthly wage exclusion 3.
  - Federal and state deductions are based on the previous withholding election.



# Consensus Topic 1: CZTE Service Specific Rules

## Topic Overview

- ▶ DIMHRS Goal:
  - Standardize tax treatment for Combat Zone Tax Excludable earnings
- ▶ Purpose:
  - To standardize business practices and reduce the burden and associated costs of initial system configuration, on-going maintenance, and payroll processing system overhead.
- ▶ Discussion:
  - Continuation of current practices may require three different subsets of tax processing logic to be applied for Naval Officers, other Officers and Enlisted personnel.
  - If Naval Officers believe they will be under-withheld for the year due to Combat Zone Tax Exclusion, they can elect additional withholding on non CZTE earnings.



# Consensus Topic 1: CZTE Service Specific Rules

## Comments

Business Area	Service	Feedback ID	Artifact Name	Feedback Description	Service Proposed Solution	JR&IO Response	JR&IO Resolution
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## Consensus Topic 2: Track Jumps

### Topic Summary

- ▶ Jump qualification information is necessary to determine eligibility for jump pay.
- ▶ Two new Use Cases accommodate the receipt of jump qualification data necessary to determine pay eligibility:
  - Receive Member's Duty Participation Information (Interface)
  - Record Member's Duty Participation Information (Manual)





## Consensus Topic 2: Track Jumps

### Topic Overview

- ▶ DIMHRS Goal:
  - DIMHRS will contain all necessary information to determine eligibility for any jump pay or entitlement.
- ▶ Purpose:
  - Qualifying parachute jumps must be accounted for to facilitate continuous payment of entitlement.
- ▶ Discussion:
  - Jump qualification data may be entered in DIMHRS by an authorized authority, or received via interface, at the discretion of the Developer/Integrator.
  - Nothing in the functional requirements is intended to preclude a constructed solution which reduces system overhead.



## Consensus Topic 2: Track Jumps

### Comments

Business Area	Service	Feedback ID	Artifact Name	Feedback Description	Service Proposed Solution	JR&IO Response	JR&IO Resolution
03		6957	Determine Eligibility for Parachute Duty Pay	Refer to round 1 comment #9785. Parachute jumps must be accounted for in order to activate a continuous entitlement. Monthly certification of parachute pay will be too cumbersome for field activities to accomplish until DIMHRS Training is activated.	Change BR	Jump qualification information necessary to determine eligibility for any type of jump pay will be contained within DIMHRS. This data may be entered, or received via interface. Nothing in the requirements is intended to preclude a constructed solution which reduces payroll processing overhead.	Two new Use Case were added to accommodate the receipt of jump qualification data necessary to determine pay eligibility:  Receive Member's Duty Participation Information (Interface) and Record Member's Duty Participation Information (Manual) Business Area artifacts. The D&I will determine the best method to obtain, store and access eligibility data.



# Compensation Functional Area Focus Group Will and Will Not

## The Focus Group will...

- Be conducted within the scope of DIMHRS personnel/pay
- Address unresolved Service feedback related to Business Area requirements packages, aggregated into Accessions, Transition, Sustainment and Compensation
- Address reconciliation of disparities in Service feedback
- Refer topics to the issue resolution process, if necessary
- Address integration of personnel and pay

## The Focus Group will not...

- Address functionality, strengths or weaknesses of legacy systems
- Be a forum to debate analysis methodology or use case deliverable format
- Discuss non-DIMHRS agendas
- Provide a constructed solution for DIMHRS
- Be a demonstration of the PeopleSoft product
- Address topics covered by other Functional Area Focus Groups



# FAFG Process Overview

